

SUPPLEMENTAL PACKET

Street Improvements Planning Discussion

Prioritization of improvement projects

Based on the condition of the roads

Based on the costs of constructing the improvements

Based on the avoidance of costs of delaying the improvements

Costs of continued patching

Increased costs due to inflation

Increased costs due to roads deteriorating to a level where they need a more costly improvement option

Funding sources

The Special Session could provide substantially more funding for the downtown improvements project than planned, which could free up funding for street improvements

Tom Niedzwiecki will provide information on additional ways to free up funding for street improvements

Funding and timing

Once projects are prioritized, they can be planned based on the level of funding the Council decides to make available

City of Afton, Minnesota
Bond Options and Tax Impacts

	<u>Option 1</u>		<u>Option 2</u>		<u>Option 3</u>		<u>Option 4</u>	
	\$1,000,000		\$2,000,000		\$3,000,000		\$4,000,000	
Par Amount								
Repayment Term (Years)	15	20	15	20	15	20	15	20
Interest Rate	2.50%	2.75%	2.50%	2.75%	2.50%	2.75%	2.50%	2.75%
Annual Payment (Rounded)	\$81,000	\$66,000	\$162,000	\$131,000	\$242,000	\$197,000	\$323,000	\$263,000
TAX IMPACT ANALYSIS								
2014/2015 Tax Capacity	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Tax Rate Increase	1.4%	1.1%	2.7%	2.2%	4.0%	3.3%	5.4%	4.4%
Residential Market Value								
\$100,000	\$10	\$8	\$19	\$16	\$29	\$24	\$39	\$31
\$250,000	\$32	\$26	\$64	\$51	\$95	\$77	\$127	\$103
\$500,000	\$68	\$55	\$135	\$109	\$202	\$164	\$269	\$219
Commercial Market Value								
\$100,000	\$20	\$17	\$41	\$33	\$61	\$49	\$81	\$66
\$500,000	\$125	\$102	\$250	\$202	\$373	\$304	\$498	\$405
\$1,000,000	\$260	\$212	\$520	\$420	\$776	\$632	\$1,036	\$844
Apartment Market Value								
\$200,000	\$34	\$28	\$68	\$55	\$101	\$82	\$135	\$110
\$500,000	\$84	\$69	\$169	\$136	\$252	\$205	\$336	\$274
\$1,000,000	\$169	\$138	\$338	\$273	\$504	\$410	\$673	\$548
Agricultural Homestead (Acres)*								
160	\$86	\$70	\$172	\$139	\$256	\$209	\$342	\$278
320	\$166	\$135	\$332	\$269	\$496	\$404	\$662	\$539
640	\$382	\$311	\$764	\$618	\$1,142	\$929	\$1,524	\$1,241
Agricultural Non-Homestead (Acres)								
160	\$108	\$88	\$216	\$175	\$323	\$263	\$431	\$351
320	\$216	\$176	\$432	\$349	\$645	\$525	\$861	\$701
640	\$432	\$352	\$864	\$699	\$1,291	\$1,051	\$1,723	\$1,403

*Assumes \$250,000 residence and \$5,000 per acre.

Downtown Improvements Project Update

- Based on the projected July 31 completion of the MPCA's final findings and determination regarding the 106 process, and the August 30 final date for comments on the final findings and determination, the following is a tentative schedule for action items in August and September
 - Staging meeting with the contractor: Aug 1-5:
 - Pre-construction meeting: Aug. 15-19
 - Special Council meeting to award bid: Sept. 1
 - Public information meeting: Mid-Sept.
- Now that it does appear that there will be a Special Session of the legislature, although not until sometime in August, we need to plan a work session following the Special Session to provide updated funding information.
- This information will be helpful in finalizing an assessment roll and scheduling an assessment hearing